

TOWN OF WINNSBORO MUNICIPAL COURT
WINNSBORO, SOUTH CAROLINA

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

For the Year Ended June 30, 2018



SOUTH CAROLINA OFFICE OF THE STATE AUDITOR
1401 Main Street, Suite 1200 • Columbia, SC 29201

June 5, 2019

Ms. Lorraine Abell, Town Clerk/Treasurer
Town of Winnsboro
Winnsboro, South Carolina

This report resulting from the application of agreed-upon procedures to the accounting records of the Town of Winnsboro Municipal Court System as of and for the year ended June 30, 2018, was issued by The Hobbs Group, P.A., Certified Public Accountants, under contract with the South Carolina Office of the State Auditor.

If you have any questions regarding this report, please let us know.

Respectfully submitted,

George L. Kennedy, III, CPA
State Auditor

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

June 5, 2019

Mr. George L. Kennedy, III, CPA
State Auditor
State of South Carolina
Columbia, South Carolina

Ms. Lorraine Abell, Town Clerk/Treasurer
Town of Winnsboro
Winnsboro, South Carolina

We have performed the procedures described below, which were agreed to by the South Carolina Office of the State Auditor and the Town of Winnsboro (the "*Town*"), on the systems, processes, and behaviors related to court fines and fees of the Town for the period July 1, 2017 through June 30, 2018, in the areas addressed. The Town is responsible for the systems, processes and behaviors related to court fines and fees. The sufficiency of these procedures is solely the responsibility of the South Carolina Office of the State Auditor and the Town. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

The procedures and the associated findings are as follows:

1. **Clerk of Court**

- We gained an understanding of the policies and procedures established by the Clerk of Court to confirm timely reporting by the Clerk of Court's Office.
- We obtained the court dockets or equivalents from the Clerk of Court. We randomly selected 25 cases from the court dockets and recalculated the fine, fee, assessment and surcharge calculation to confirm that the fine, fee, assessment and surcharge were properly allocated in accordance with applicable State law and the South Carolina Court administration fee memoranda.
- We randomly selected 25 court receipt transactions to confirm that the fine, fee, assessment and surcharge adhered to State law and the South Carolina Court administration fee memoranda and that the receipts were allocated in accordance with applicable State law.

We found no exceptions as a result of our procedures.

2. **Municipal Treasurer**

- We gained an understanding of the policies and procedures established by the Municipal treasurer to confirm timely reporting by the Town.
- We inspected all monthly court remittance forms or equivalents to confirm that the forms were completed in accordance with instructions and submitted timely in accordance with State law.
- We agreed the amounts reported on the monthly remittance forms or equivalents to the Town's support.
- We inspected the Town's support to confirm that the Town properly classified fine, fee, assessment, and surcharge receipts.
- We inspected all State Treasurer's Revenue Remittance Forms for the period July 1, 2017 through June 30, 2018 and agreed the amounts reported on the State Treasurer's Revenue Remittance Forms to the court remittance forms or equivalents.
- We agreed the amounts reported by the Town on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, for the period July 1, 2017 through June 30, 2018, to the Town's general ledger.
- We inspected the Town's supplemental schedule of fines and assessments, as reported in the annual financial statement audit, to confirm that it contained all the elements required by State law.

Finding – Improper Amounts Reported on the Remittance Forms

Our inspection revealed that the amount reported on the October remittance form submitted to the State Treasurer was incorrectly stated based off the supporting documentation of fines, fees, and assessments collected for the month. The amount of assessments that should have been reported for the month was \$294.87 instead of \$279.02. The amount of law enforcement surcharges that should have been reported was \$772.17 instead of \$694.04. The amount of Municipal Criminal Justice Academy surcharges collected should have been \$18.22 instead of \$13.22. In total, \$98.98 was under reported.

Management Response:

In response to the finding stated above, management disbursed numerous old open cases and refunds that were not properly disbursed by the previous clerk. The cases from the open items report were manually disbursed with the help of CMS (Court Management System). The money was manually disbursed in September 2017, affecting the October remittance amount reported. Upon disbursement the disbursement report had to be redone to correctly balance the court. The disbursement report was redone and not the remittance report, so the incorrect remittance report was submitted by accident and not the revised remittance. Upon finding this issue management immediately corrected the error and sent the States Treasurer the correct amount. The Finance Director and the Town's Bookkeeper were notified immediately; in turn they contacted the State Treasurers office who stated the court could just send the correct remittance form and money. Per the Town's bookkeeper, the revised remittance was submitted on 4/23/2019 and the money was deducted from on 5/17/2019 by the State Treasurer office.

3. **Victim Assistance**

- We gained an understanding of the policies and procedures established by the Town to confirm proper accounting for victim assistance funds.

- We made inquiries and confirmed that any funds retained by the Town for victim assistance were deposited into a separate account.
- There were no expenditures of victim assistance funds during the fiscal year.
- We inspected the Town's victim assistance financial activity on the supplemental schedule of fines and assessments, as reported in the annual financial statement audit, and confirmed that it was in compliance with applicable State law.
- We agreed the amounts reported by the Town on its supplemental schedule of fines and assessments, as reported in the annual financial statement audit, applicable to the Victim Assistance Fund, to the Town's general ledger or subsidiary ledgers.
- We inspected the Town's victim assistance account to confirm the Victim Assistance fund balance was retained as of July 1 from the previous fiscal year in accordance with State law.

We found no exceptions as a result of the procedures.

4. Calculation of Over/(Under) Reported Amounts

- We inspected copies of monthly State Treasurer Revenue Remittance Forms (STRRF) for the twelve month period ended June 30, 2018, which the Town prepared and submitted to the South Carolina Office of the State Treasurer. We calculated the amount over/(under) reported by the Town by category.

The amount over/under reported, by STRRF line item is listed in the schedule below:

STRRF Line	Description	Amount
K.	Municipal Law Enforcement Surcharge - \$25	(78.13)
KA.	Criminal Justice Academy Surcharge - \$5	(5.00)
M.	TOTAL REVENUE DUE FROM STATE TREASURER	<u>(83.13)</u>
N.	Assessments – Municipal	<u>(15.85)</u>
P.	TOTAL RETAINED FOR VICTIM SERVICES	<u><u>(15.85)</u></u>

Management Response:

In response to the finding stated above, management disbursed numerous old open cases and refunds that were not properly disbursed by the previous clerk. The cases from the open items report were manually disbursed with the help of CMS (Court Management System). The money was manually disbursed in September 2017, affecting the October remittance amount reported. Upon disbursement the disbursement report had to be redone to correctly balance the court. The disbursement report was redone and not the remittance report, so the incorrect remittance report was submitted by accident and not the revised remittance. Upon finding this issue management immediately corrected the error and sent the States Treasurer the correct amount. The Finance Director and the Town's Bookkeeper were notified immediately; in turn they contacted the State Treasurers office who stated the court could just send the correct remittance form and money. Per the Town's bookkeeper, the revised remittance was submitted on 4/23/2019 and the money was deducted from the Town on 5/17/2019 by the State Treasurer's office.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be an opinion or conclusion, respectively, on the systems, processes, and behaviors related to court fines and fees of the Town of Winnsboro Municipal Court. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Governor, Chairmen of the House Ways and Means Committee, Senate Finance Committee, House Judiciary Committee, Senate Judiciary Committee, members of the Winnsboro Town Council, the Clerk of Court, Town Treasurer, State Treasurer, South Carolina Department of Crime Victim Compensation and the Chief Justice and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

The Hobbs Group, P.A.
Columbia, South Carolina

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